Governor Bob Riley's 2010 State of Alabama Trade Strategy

Export Alabama: Focus on Small Business
Transition to Alabama's Future



A cooperative initiative of the Alabama Development Office, U.S. Chamber of Commerce—TradeRoots and the Export Alabama Alliance



A STATEWIDE AND NATIONAL PARTNERSHIP LED BY

The Office of the Governor
Alabama Development Office
U.S. Chamber of Commerce – TradeRoots
and



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ALABAMA IS ONE OF SIX STATES CHOSEN TO BE A NATIONAL MODEL FOR EXPORT DEVELOPMENT

Export Alabama Initiative: Focus on Small Business

Transition to Alabama's Future

The success of Alabama's small and medium-sized businesses is essential to the economic prosperity of the state, and the key to economic growth of small and medium-sized businesses lies in exports. Smaller companies engaged in international business are more stable, achieve higher growth rates, and pay higher wages in comparison to their counterparts who only sell domestically. **Export Alabama** focuses on Alabama's "home grown" companies, with particular emphasis on minority- and women-owned businesses. Alabama will gain a competitive international business edge through the promotion of export growth.

Export Alabama works with partners in Alabama, nationally and internationally to develop initiatives and leverage business development resources to:

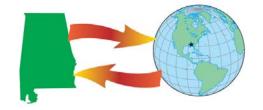
- Create new and better paying jobs
- Increase competitiveness and set higher standards
- Gain new market access for Alabama products
- Increase the number of exporting companies
- Increase awareness of trade benefits to workers and consumers.
- Educate and train companies to be global players
- Create a business friendly export environment
- Lead the way for aggressive growth
- Provide additional outside resources to assist small businesses
- Create positive media coverage on trade
- Gain international and national recognition as a global player
- Recognize companies that have demonstrated excellence in exporting

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TRADE Comes Full Circle for Alabama

Alabama EXPORTS \$16 billion to the world



International TRADE is critical to Alabama's ECONOMY

EXPORT ALABAMA CONTINUES TO DELIVER

A NEW DECADE 2010 With economic growth slowly recovering in many of the world's leading economies, the 2010 trade agenda will pursue international markets that are emerging economic players such as China, India and Russia. On the home front, strategic plans have been put into place to help Alabama's companies reach new and expanding markets and find

innovative ways to promote their products to international buyers through website development. Couple these new agenda items with an already strong foundation of trade finance and training programs offered to Alabama companies by the Export Alabama Alliance, and global expansion is easily within their reach.

2010 is a prime time for Alabama companies to explore and increase sales of their products and services overseas. While there are challenges facing Alabama companies each day, both domestically and internationally, a number of factors in the global economy are providing the foundation for a decade of international growth and job creation in Alabama.

Growing Markets

Bolstering Infrastructures & Middle Classes International markets are producing a growing middle class. Countries identified for the 2010 trade agenda include some of the most populous countries in the world — Brazil, Russia, India and China, commonly referred to as the BRIC countries. China and India combined account for 37 percent of the world's population with 6.8 billion people. Parallel with the rise of a confident middle class and climbing purchasing power, these countries are also building new roads, ports, airports and undertaking heavy construction projects. According to the U.S. Department of Commerce, China, and India, among other emerging countries. have

dollars and are focusing on building and improving their internal infrastructures. This building phase provides numerous opportunities for heavy equipment, technology, architecture, telecommunications, and a host of related products and services used in construction projects. With the emergence of a solid consumer market and public/private infrastructure projects, these countries present Alabama companies with a multitude of opportunities for the short and long term.

Weak Dollar

Alabama Exports Benefit

With the weak dollar, the stage is set for Alabama companies to be more competitive and profitable in doing business overseas. Even more lucrative are the ships and planes leaving the Ports of Mobile and Huntsville filled with Alabama products ranging from lumber, ingots, and hi-tech products to automobiles.

eCommerce

Increasing Export Capabilities

As technology improves, the world is rapidly opening up new venues, allowing Alabama companies to use today's technology in finding business partners from Chile to Japan to South Africa. By enhancing their

export capabilities, even the smallest Alabama company the day when the state's economy can support this ofcan find global success. Electronic commerce gives companies access to international markets, particularly those on the other side of the world where travel and

time are chief constraints to doing successful business for small firms. With the rapid growth in emerging countries' infrastructures, the presence of eCommerce will have Alabama companies embracing this new business-to-business marketing and sales channel.

FOCUSING ON INTERNATIONAL **MARKETS**

China

Regional collaborative efforts are the focus on China in 2010. PriceWaterhouseCoopers revised their previous prediction concerning the Chinese economy. They had China becoming the world's largest economy by 2041 and have now moved that prediction to 2021. The economic stakes for the next several decades are high and a multi-state approach to brand the region gives each of the member states of the Southern Governors' Association a better chance for success. Events involving high level government and busi-

ness leaders will take place in Beijing and Alabama during July and August of this year.

India

Indications are that this country's GDP will grow 6.3 percent during the year 2010, which is putting the Indian economy on a robust growth route. The Plan 2010: Our Vision for Alabama outlined the opening of an office in this emerging market during this year. The May 2010 trade and business development mission to New Delhi and Bangalore will serve to lay a concrete foundation for

fice. India is a promising market for Alabama-made products and services. Alabama exports to India have remained positive even during the current economic

"This economic mission to India will be an outstanding opportunity for Alabama companies to meet their cus-



tomers and to find new ones. When an Alabama accompany finds a customer in a growing market like India, they create jobs in Alabama through exports. There's a tremendous market in India for everything that's made in Alabama."

Governor Bob Riley

Pictured: Governor Riley met with India's former president Dr. A.P.J. Abdul Kalam at the State Capitol to announce the 2010 trade mission to India.

> crisis. Exports to India during the period from 2008 to 2009 jumped 63 percent (\$98.9 million in 2008 to \$161.4 million in 2009). This market remains a bright spot to the state's economy.

Vietnam

Vietnam is a true emerging market, offering ground floor and growing opportunities for Alabama exporters. The country will tout a 6 percent growth during 2010. With Alabama exports to Vietnam increasing 29 percent from

2008 to 2009, this niche market is ripe for Alabama companies to participate in the March 27-April 3, parts. Complimentary match-2010 trade mission. Sales of equipment and technologies associated with growth in Vietnam's industrial and export sectors and implementation of major infrastructure projects continue to be a major source of commercial activity for U.S. firms.

Russia

Recent trends and improvements have been taking place in Russia and this market holds long-term opportunities for Alabama exporters. Alabama exports to Russia have seen a growth trend and remained positive from 2008-2009, increasing by 11 percent. Russia relies on foreign machinery to help extract its abundant resources, is a major destination for Alabama meat exports, and buys a diverse range of products including aerospace/aviation equipment, automobiles and parts and industrial equipment. A first-time, exploratory trade and business development mission to Russia will take place in October 2010.

Canada

As Alabama's number one trading partner for 2009, our northern neighbor has always provided an excellent export market for the state. This year, the Southeastern United States Canadian Alliance conference will offer Alabama

companies the unique opportunity to meet with Canadian countermaking will be provided in the sectors of advanced manufacturing, geospatial technologies and energy.

Building on a Solid Foundation

Export Alabama will continue focusing on the objectives and goals on which it was founded. The 2010 trade agenda will advocate existing and pending free trade agreements (FTA's). The 17 FTA relationships cover only about 5 percent of U.S. exports and only 33 percent of Alabama exports. Pending free trade agreements to Colombia, South Korea and Panama are essential to Alabama and the United States. These countries are key markets for Alabama with Colombia and South Korea ranking as the top ten and eleven export destinations for the state respectively.

With trade missions from Alabama to Colombia taking place in 2007 and 2009, this market is one in which Alabama companies have developed strong partnerships and successful sales. Colombia continues to show signs of recovery with economic activity improving during the second half of 2009. It is a promising market as Alabama exports increased 48

percent from 2007 to 2009. Colombia has consistently ranked as one of Alabama's top ten trading partners over the past several years and is a lucrative market for industrial and medical equipment. As a follow-up to the Governor-led mission to this country in 2009, the state will welcome a high-level government delegation in the Fall of 2010.

2010 will yield significant benefits for Alabama companies. For smaller companies who are interested in exporting, the Export Alabama Alliance members will work to overcome any obstacles - assisting them in finding a market that they can understand and find success. Responding positively to our existing industries, the 2010 trade agenda will help stabilize and work to transition each industry into this decade of challenges, but more importantly, into opportunities for global expansion and creating jobs for Alabama citizens.

Doubling Exports for the U.S. and Alabama Requires Expanding FTA's

The United States has 17 Free Trade Agreements (FTA's) with countries throughout the world. American firms exported only about 5% to these markets. Alabama's exports to these FTAs totaled just over \$4 billion in 2009. This makes up 33.16% of the \$12,352,189,889 in total exports to all partner countries from Alabama.

"The 2010 trade agenda builds on the foundation of Export Alabama launched in 2004. The goals and objectives have remained true to the original agenda only to be enhanced and built upon each consecutive year."

Governor Bob Riley

Action Items

- ► Broaden and deepen the base of Alabama exporters
 - Identify and focus on new-to-export companies
 - Provide the U.S. Department of Commerce's "Basic Guide to Exporting" during oneon-one counseling sessions
 - Create linkages between Alabama companies and potential overseas business partners
- EXPAND EXPORT ASSISTANCE TO SMALL AND MEDIUM-SIZED BUSINESSES
 - Provide on-line distribution of trade leads and industry/market reports
 - Conduct face-to-face delivery of workshops focused on eCommerce
 - Implement industry-specific seminars on defense, medical, environmental and energy sectors
 - Provide companies in the Appalachian region matching grant dollars for overseas match-making appointments and international partnership searches
 - Champion the service industry sector exports to targeted markets
 - Engage in an expanded outreach effort that fully integrates the strategies of local, state, federal and foreign agencies involved in export promotion
 - Provide export finance assistance utilizing existing federal programs
- ► FACILITATE EXPORT OPPORTUNITIES IN EXISTING FREE TRADE AGREEMENT COUNTRIES
 - Promote SEUS Canada conference for business-to-business meetings with Alabama industries and Canadian companies in advanced technologies, geospatial industries and energy sectors
 - Identify key industry sectors in the 17 FTA countries and aggressively pursue and assist Alabama companies' abilities to successfully export to these markets
 - Provide analysis and outreach on Mexico and Brazil
- OPEN NEW EMERGING MARKETS AND NEXT GENERATION MARKETS
 - Plan and coordinate trade missions to Vietnam, India and Russia with premission briefings conducted throughout the state and missions to India and Russia Governor-led
 - Present market briefings in three key cities on Brazil
 - Continue building on the foundation laid during the past three years for China
- Support Passage of Free Trade Agreements and Approval of Trade Accords with Colombia, Panama and South Korea
 - -Continue and improve support of the federal government's trade negotiations agenda with pending FTA's of Colombia, Korea and Panama
 - —Promote Alabama's export/import status in these three markets to the media to demonstrate the positive impact of trade

► SHOWCASE ALABAMA'S INFRASTRUCTURE TO THE WORLD

- —Promote Alabama's new Mobile Container Terminal as a world-class facility that is poised to meet current and future shipping demand in the U.S. Gulf Coast
- -Continue highlighting the Ports of Mobile and Huntsville in the Year In Trade publication
- -Initiate contact with consulates with jurisdiction over Alabama to encourage their visits to the state

► BUILD COMMUNITY CAPACITY TO ACHIEVE AND SUSTAIN EXPORT GROWTH

- —Participate in existing industry programs to promote the positive impact of trade and resources available to companies
- -Continue Governor's Trade Excellence Award program honoring Alabama exporters
- Invite public/private sectors to participate in trade missions in order to learn more about the importance of trade
- -Engage the public/private sector in trade development

Governor Riley Awarded the U.S. Chamber's Excellence in Trade Award

"When we joined forces with Governor Riley and the Alabama Development Office in 2004 to launch the Export Alabama Initiative, we all shared the vision that international trade is critical to Alabama's economy. Now six years later, that vision has resulted in new and better jobs, increased competitiveness, and



growth in Alabama's exports to the world. It is the most successful Governor-led trade program in the United States and we are proud to be part of it."

Leslie Schweitzer, Senior Trade Advisor with the U.S. Chamber of Commerce.

Pictured, (I/r) Neal Wade, Director of ADO, Hilda Lockhart, International Trade Division Manager ADO, Alabama Governor Bob Riley, and Leslie Schweitzer, US Chamber of Commerce

2010 Export Alabama Initiatives Focus on the Future of Small Exporters

The Export Alabama Alliance programs focus on reaching out to small and medium sized companies to help them expand internationally. These events also serve to educate Alabama's leadership on the value of trade and U.S. policy issues to their communities.

Jan 20 NAITA Annual Meeting – Building a Globally Competitive Community with USASAC: the U.S. Army's Face to the World

Huntsville - 160 participants

USASAC (the U.S. Army Security Assistance Command) – the Army's focal point for Foreign Military Sales – has recently moved to Huntsville and Redstone Arsenal. USASAC works to advance strategic partnerships between the U.S. & 140 countries around the world, improving relationships and the reputation of the United States. There has been a six-fold increase in FMS cases over the last several years – up to \$24 billion in 2009. While USASAC may not directly impact international trade through direct commercial sales, their presence here will certainly increase Alabama's exposure to foreign leaders, security assistance liaisons, and others from across the globe. BG Christopher Tucker, Commanding General of USASAC, provided the keynote address.

Feb 23 Introduction to International Traffic in Arms Regulations (ITAR) Huntsville

This program is focused on Alabama companies involved with military and defense articles and services. The class is designed for beginners in exporting in this industry sector and who need to learn more about the regulations on ITAR. It is also a refresher course for those who have already had formal training in ITAR.

Feb 25 Website Design for a Global Marketplace Montgomery

Clients will learn simple, inexpensive modifications that will improve their website's ability to attract and retain customers. These techniques will include: How to refine websites to specifically target international customers through website internationalization, regionalization and localization; best practices and techniques related to website translation; leveraging internet tools to target foreign markets and track inquiries, and international eCommerce options.

Mar 4 Website Design for a Global Marketplace Enterprise

Clients will learn simple, inexpensive modifications that will improve their website's ability to attract and retain customers. These techniques will include: How to refine websites to specifically target international customers through website internationalization, regionalization and localization; best practices and techniques related to website translation; leveraging internet tools to target foreign markets and track inquiries, and international eCommerce options.

Mar 9 The Legalities of International Trade Mobile

This workshop will feature Mr. Greg Jones, International Attorney, as guest speaker. The topics which will be covered included managing risks, direct sales and distribution alternatives, summary of export/import licensing, financial risks, protecting intellectual property and resolving international disputes.

Mar 9 Website Design for a Global Marketplace Birmingham

Clients will learn simple, inexpensive modifications that will improve their website's ability to attract and retain customers. These techniques will include: How to refine websites to specifically target international customers through website internationalization, regionalization and localization; best practices and techniques related to website translation; leveraging internet tools to target foreign markets and track inquiries, and international eCommerce options.

Mar 11 Governor's Trade Excellence Award Program Montgomery

Eight Alabama companies will be recognized by Governor Riley for their excellence in exporting. The companies will be honored at a luncheon hosted by the Export Alabama Alliance where keynote speaker Neal Wade, Director of the Alabama Development Office, will speak about Alabama's new role in the global economy.

Mar 25 Website Design for a Global Marketplace Huntsville

Clients will learn simple, inexpensive modifications that will improve their website's ability to attract and retain customers. These techniques will include: How to refine websites to specifically target international customers through website internationalization, regionalization and localization; best practices and techniques related to website translation; leveraging internet tools to target foreign markets and track inquiries, and international eCommerce options.

Mar 26- Vietnam Trade Mission Apr 3 Hanoi and Ho Chi Minh City

The Mobile Area Chamber of Commerce will coordinate this state-wide trade mission to Vietnam. Vietnam, an emerging market, offers Alabama companies growing opportunities. With an economic growth rate one of the highest in the world, Alabama exported over \$26.9 million of goods and services in 2009. This was an increase of 537% since 2005.

Apr 1 Website Design for a Global Marketplace Tuscaloosa

Clients will learn simple, inexpensive modifications that will improve their website's ability to attract and retain customers. These techniques will include: How to refine websites to specifically target international customers through website internationalization, regionalization and localization; best practices and techniques related to website translation; leveraging internet tools to target foreign markets and track inquiries; and international eCommerce options.

Apr 8 NAITA's 27th Annual World Trade Day Luncheon and Program Huntsville

In celebration of Alabama's strong community of exporters in North Alabama, NAITA will host a luncheon to promote the benefits of Alabama companies doing business in the international marketplace. A keynote address and the annual NAITA Global Trade Award ceremony honoring

a local company will take place at this event.

Apr 8-9 Gulf Coast World Trade Conference: The Future of Trade in the Northern Gulf of Mexico

Pensacola, Florida

This annual event will bring in a number of trade experts to discuss trade trends, intermodal transportation, and tourism promotion as a trade catalyst, trade opportunities in the Gulf Coast aerospace corridor, international marketing tips and website design.

Apr 11-13 SEUS Canada Third Annual Conference and Matchmaking Biloxi Mississippi

This conference will promote one-on-one matchmaking for Alabama companies in the advanced technologies (aerospace/aviation); energy and geospatial technologies sectors. The three day event also provides a full slate of information sessions featuring export presentations in these sectors from the trade and investment perspective.

Apr 22 Website Design for a Global Marketplace Gadsden

Clients will learn simple, inexpensive modifications that will improve their website's ability to attract and retain customers. These techniques will include: How to refine websites to specifically target international customers through website internationalization, regionalization and localization; best practices and techniques related to website translation; leveraging internet tools to target foreign markets and track inquiries; and international eCommerce options.

Apr TBC Doing Business in Brazil

Huntsville, Mobile, Birmingham

May 1-7 Governor-Led Trade and Business Development Mission to India

New Delhi and Bangalore

Governor Riley will lead this mission to the world's fastest growing free-market democracy – India. The trip will focus on manufacturing, biotechnology/life sciences, education and recruitment of investment and will offer companies the opportunity to meet one-on-one with perspective business partnerships. Alabama's exports to India grew by 114% from 2007 to 2009.

May 6 Website Design for a Global Marketplace

Florence

Clients will learn simple, inexpensive modifications that will improve their website's ability to attract and retain customers. These techniques will include: How to refine websites to specifically target international customers through website internationalization, regionalization and localization; best practices and techniques related to website translation; leveraging internet tools to target foreign markets and track inquiries, and international eCommerce options

May 4 International Finance Seminar Location to be announced

May 13 Website Design for a Global Marketplace

Mobile

Clients will learn simple, inexpensive modifications that will improve their website's ability to attract and retain customers. These techniques will include: How to refine websites to specifically target international customers through website internationalization, regionalization and localization; best practices and techniques related to website translation; leveraging internet tools to target foreign markets and track inquiries, and international eCommerce options.

May 25 Developing an Import/Export Compliance Management Program

Birmingham

Companies are invited to join Mike Allocca to learn how to comply with basic import/export regulations.

Jun TBD NATO Procurement Seminar: Doing Business with NATO & the European Union

Huntsville

Presented by the U.S. Department of Commerce & NAITA (tentative)

July tbd The Changing Face of Russia: A new market for your products

Mobile, Birmingham, Huntsville

A series of market briefings on this emerging market will be held throughout the state. The changing environment in Russia is creating new opportunities for business partnerships and has made this country's business climate more favorable. This series will also promote an Alabama trade mission to Russia which will take place in October.

Sept 14-16 Complying with U.S. Export Controls/Complying with ITAR Birmingham

This two-day program is led by BIS's professional counseling staff and will provide an indepth examination of the Export Administration Regulations (EAR). The program will cover the information exporters need to know to comply with U.S. export control requirements on commercial goods. In addition, participants will gain information needed to comply with the U.S. State Department regulations on exporting.

Governor-Led Trade and Business Development Mission to Russia Oct 2-9 Moscow and St. Petersburg

This mission will be a first-time entry for the State of Alabama. Russia and the eastern European countries are emerging markets. The market opportunities in a range of goods and services are numerous and are being fueled by increases in disposable income. The country continues to be a major, fast-moving and growing economy.

Dec tbd **NAITA Holiday Party**

Huntsville

This holiday event brings together a host of companies and individuals from North Alabama including Export Alabama Alliance members to network and celebrate the year's end.

The following events are associated with the Southeastern United States Trade Association (SUSTA) and the Alabama Department of Agriculture. These proposed activities are focused on Alabama's agriculture industry.

Peru & Ecuador Food Initiative Mar 15-19

Lima, Peru & Quito, Ecuador

The Department of Agriculture will team with the Southeastern United States Trade Association (SUSTA) to recruit companies for a trade mission focused on southern US snack foods, candied pecans, sauces, condiments, syrups, health foods, processed foods, and specialty foods.

Apr 7-9 2010 Japan Wine and Gourmet

Tokyo, Japan

The Alabama Department of Agriculture will team with SUSTA to promote this trade show focusing on specialty food items and wine. Japan boasts the largest economy in Asia and has recently seen increased imports of U.S. wines, which have steadily been gaining popularity with Japanese consumers. Currently, the United States accounts for 5.8% of the total wine imports to Japan, with imports valuing nearly \$68 million. Wine and Gourmet Japan provides a great opportunity for southern U.S. wine suppliers interested in gaining a foothold in this growing market.

Apr 20-23 Gastronord

Stockholm, Sweden

The Alabama Department of Agriculture will team with SUSTA to promote and recruit companies for this event which will focus on foodservice and retail opportunities in Sweden. Products which have the greatest potential in this market include: BBQ Sauces & Seasonings, Confectionery items, Convenience foods, Ethnic foods, Fruits & Vegetables, Mixes, Healthy Foods & Drinks and Bakery items, among others.

May 3-7 Ecuador Aquaculture Feeds Promotion (Outbound Mission) Quito, Ecuador

The Alabama Department of Agriculture will team with SUSTA to recruit for this trade mission focused on southern US aquaculture feeds and feed ingredients which will take place in Quito, Ecuador.

May 18-20 2010 London International Wine Fair

London, England

The Alabama Department of Agriculture will team with SUSTA to recruit wine companies to participate in this annual trade show. London International Wine Fair attracts buyers from every aspect of the wine purchasing and distribution chain.

May 19-21 2010 SIAL Shanghai, China

The Alabama Department of Agriculture will team with SUSTA to recruit companies for the "not-to-be-missed" event for professionals in the food, beverage, wine and spirits industries in China. Exhibiting at SIAL China is the best means of making your products known and for positioning them directly with the various import/distribution segments in China and Asia, including supermarkets/hypermarkets, wholesalers, food service (hotel/restaurant), and importers/trade agents. As China's trade and commercial center and largest city, with a population of 20 million people, Shanghai has become the trade show hub for the entire Asia region. China's accession to the WTO has lowered tariffs and brought about economic liberalization that has yielded significant gains for U.S. food exports.

Jun tbd Panama and Costa Rica Outbound Trade Mission

The Alabama Department of Agriculture will team with SUSTA to recruit companies to participate in a trade mission to Panama and Costa Rica, where one-on-one meetings will be held between Southern US companies and in-country buyers. Ideal products for this area would include: live Christmas trees and ornamentals, processed foods and fresh fruits and vegetables.

Jun 13-15 Fine Food New Zealand Auckland, New Zealand

The Alabama Department of Agriculture will team with SUSTA to recruit companies to participate in the inaugural year of Fine Food New Zealand. After many successful years of Fine Food Australia the organizers have joined with the organizers of The Food Show New Zealand to put on Fine Food New Zealand. The best product prospects for this show are snack foods, fresh fruits, nuts, red meat, condiments, beverages, processed fruits and vegetables and pet food.

Jul 12-16 Canada Inbound Mission

Alabama, Georgia and North Carolina

The Alabama Department of Agriculture will team with SUSTA to recruit companies to meet with Canadian buyers from all regions focusing on value-added foods. One-on-one meetings and sight visits will be held between Canadian buyers and companies in the Southeastern United States.

Jul 18-20 2010 Agrifood Manufacturers and Product Show

Johannesburg, South Africa

The Alabama Department of Agriculture will team with SUSTA to recruit companies to participate in South Africa's largest trade show. The best product prospects for this show are sauces, meats, condiments, processed foods, dried foods, nuts, desserts, jams and jellies, beverages and juices and frozen foods.

Jul 21-24 Outbound Trade Mission to South Africa

Johannesburg, Durban and Cape Town, South Africa

The Alabama Department of Agriculture will team with SUSTA to recruit companies to participate in a trade mission after the Agrifood Manufacturers and Product Show in South Africa. The best product prospects for this activity are: sauces, meats, condiments, processed foods, dried foods, nuts, desserts, jams/jellies, beverages/juices and frozen foods.

Aug 9-13 Turf Grass, Turf Seed and Nurseries Promotion Budapest. Hungary

The Alabama Department of Agriculture will team with SUSTA to recruit companies to participate in this industry sector. Opportunities for U.S companies exist in specialty seed markets, such as organic seeds produced in greenhouses, seeds for ornamentals and specialty grass seeds for golf course and sports fields. This trade mission will focus on US companies being in contact with European buyers with one- on- one meetings, and also on site visits to various nurseries in the surrounding areas.

Aug 16-20 Japan Wine and Gourmet Food Inbound Mission Alabama and Virginia

The Alabama Department of Agriculture will team with SUSTA to recruit companies to meet with Japanese gourmet food and wine buyers who will visit the SUSTA region during August in order to follow up on the Food & Gourmet trade show held in Tokyo in 2009, and attended again in April of 2010. Wineries who are participating are encouraged to bring the buyers out to your wineries in order for them to experience the process of turning the grape crop into wine and inform them of the different types of varieties that the SUSTA region has to offer in comparison to what they are used to.

Sept tbd Agriculture Outbound Trade Mission to Vietnam

Hanoi and Ho Chi Minh City, Vietnam

The Department of Agriculture will team with SUSTA and recruit Alabama companies to participate in a trade mission to Vietnam. The best product prospects for this activity are: dairy products, chilled and frozen meats, frozen poultry, fresh fruits, snack foods, packaged foods, canned fruit, canned vegetables, canned meat, juices, condiments, sauces, dried fruits, tree nuts, wines and confectionery items.

Nov tbd Vancouver, Canada Outbound

Vancouver, British Columbia

The Alabama Department of Agriculture will team with SUSTA to promote a regional trade mission to Vancouver in order to hold one-on-one meetings and market visits between Southern US companies and Canadian buyers. The region of British Columbia has not been marketed to by the SUSTA region in recent years and this is an effort to build relationships with buyers in that area.

Nov 11-13 Food and Hotel China 2010 Shanghai

The Alabama Department of Agriculture will team with SUSTA to promote and recruit Alabama companies to participate in this annual trade show. The best prospects for this activity are: frozen products, fruits and vegetables, confectionery, breads, bakery products, wine, beverages, seafood and meat products, nuts, grocery products, canned goods and pet food.

A global view of the past year

Shared strategies sustained Alabama's economy in 2009.

Alabama's international trade is fulfilling

its promise as a key factor in sustaining the state's economy. In 2009, Alabama exports totaled \$12.4 billion with global demand generating more than 230,000 jobs for Alabama citizens. Alabama exports

slid 22 percent from 2008 to 2009 which ended a nine consecutive year stretch of steady export growth. On a national basis, exports of products were down 18.8 percent last year.

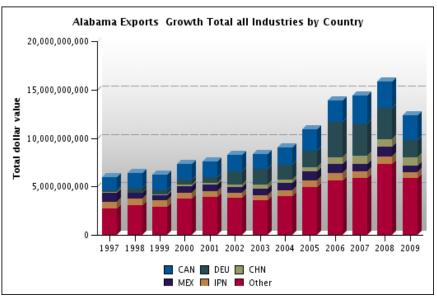
The state shipped products to 187 countries last year with the top five destination markets being Canada, Germany, Mainland China, Mexico and Japan. These top five countries bought 52 percent of Alabama exports. Canada gained the top export destination for Alabama products, a position it has not held since 2005.

Adding Mexico, the state's fourth top export destination, these two countries comprise the North American Trade Agreement (NAFTA) partners, to which \$3.287 billion or 27 percent of Alabama total exports were shipped.

The majority of Alabama trading partners registered a decline in exports last year as the worldwide recession slowed all economic activities as well as demand for Alabama's products and services. Out of the top twenty markets, those posting positive gains from 2008 to 2009 included Russia, ranked number eight with an 11 percent increase, Saudi Arabia, ranked number twelve with a 32 percent increase, Taiwan, ranked fourteenth with 23 percent increase, India ranked number seventeen with a 63 percent increase,

and Spain, ranked twentieth which posted a 65 percent increase.

Five industries accounted for 69 percent of Alabama's total shipments abroad in 2009: transportation equipment (\$4 billion), chemicals (\$1.4 billion), minerals



and ores (\$1 billion), forestry products (\$1 billion), and agriculture (\$989 million). Alabama products which ranked in the top twenty and showed an increase from 2008 to 2009 were food products (75.4%), plastics (6.4%), and electrical equipment (1.9%).

Finished automotives still remained Alabama's number one export with almost \$3 billion worth of finished vehicles being shipped to Canada (\$1.15 billion), Germany (41.25 billion) and Mexico (\$132 million).

Agricultural products, a mainstay in the state's economy, cleared almost \$1 billion in exports during 2009 with food products making up 62 percent of that total. Over all this industry posted an increase of about one

A global view of the past year

percent. Other major industry sectors which slid in total exports during 2009, included chemicals with a decline of 36 percent, and minerals and ore exports decreasing by 11 percent.

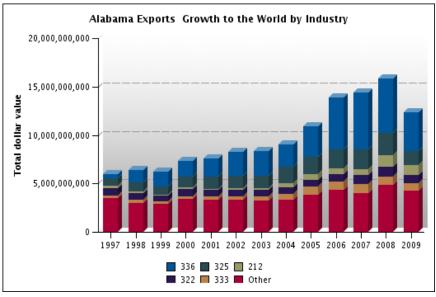
Strategic sourcing is a proven best practice and is included in many of Alabama companies' procure-

ment strategies.
During 2009, Alabama imported
\$17.1 billion worth
of goods. Mineral
fuel made up 55
percent of these
imports comprised
mainly of crude oil
and coal from Mexico and Colombia.
Top imports included mineral fuel
(\$9.3 billion), industrial machinery

Alabama imports registered a decline in 2009 dropping 30.6 percent from 2008 (\$24.6 billion). However, imports overall, have seen an upward growth since 2003, registering over a 73 percent increase.

The benefits of trade, even during sluggish years, prove to keep Alabama's companies intact. Inter-

national trade opens an ever-wider array of opportunities for Alabama companies. The state's exports are playing an essential role in powering output, employment, and profits for the



(\$1.7 billion), apparel (\$1.1 billion), vehicles (\$775 million), and aircraft (\$531.5 million).

economy. Trade is vital for sustaining a strong economy and more importantly sustaining competitive products built in this state.



Alabama Trade Missions are proven methods for companies to succeed by meeting face-to-face with potential buyers. It is also an opportunity to explore new markets.

Hornsby Steel participated in the 2009 mission to Colombia. Bobby Hornsby, when asked about his perception of the mission said, "The more I learned, the less I realized I know."

Hornsby Steel, a company located in Cleveland, AL shown in Bogota during meetings with potential buyers.

A global view of the past year

The 2009 Trade Agenda focused on helping Alabama manufacturing and service industries confront an uncertain future in global commerce. The economic downturn certainly posed a challenge for Alabama and at the same time presented companies an opportunity to look to foreign markets for new customers. The Export Alabama Initiative provided the blueprint for all Alliance members to work with companies throughout the state to achieve global success. The results shown below prove that companies continued to be actively engaged in finding lucrative markets for their quality-made products and gain further knowledge on international trade.

▶ 2 Governor-led Trade Missions: Australia and Colombia

- Over 50 delegates and 18 companies participated with products ranging from medical equipment, automotive parts, carpet, luxury vinyl tiles and planks, to feed trucks.
- Some \$5 million in sales predicted over the next two years
- 7 distributors/agents appointed

➤ 38 Workshops/seminars and conferences with over 1,921 participants were conducted in 11 cities throughout the state of Alabama

- Country market briefings covered Colombia, Australia, India, Caribbean, Switzerland, Russia and Vietnam
- Technical seminars/workshops focused on export controls, compliance, managing exchange risk, HTS/Schedule B Classification, ITAR, logistics, and Go Zone incentives
- New-to-export seminars presented companies with federal, state and local resources available to become engaged in the global marketplace
- Leadership programs provided elected officials information on how companies exporting impacted the local economy in providing jobs and revenue

In-bound missions expanded collaboration and partnerships

- 15 member Chinese delegation visited Montgomery to develop a 2010 plan for trade and investment with Alabama
- Top ranking VIPs visited Alabama from India, France, Dominican Republic, Korea, Australia, United Kingdom, Germany, Switzerland, Italy, Mexico, Costa Rica, China and many others
- Costa Rica delegation visited the state with the objective of seeking a stronger relationship with Alabama and the Port of Mobile

A global view of the past year

Capacity Building

 Governor's Trade Excellence Award presented to 8 Alabama companies showcasing export success. Recipients for 2009 included:

Atrion Medical Arab Mobile Area Chamber Mobile Moreson Conferencing Birmingham Nidek Medical Birmingham N-Tron Mobile Ft. Payne PlayCore **PPG** Aerospace Huntsville Rescue One Connector Boats Huntsville

- Meetings with Congressional delegation held throughout the state
- Leadership programs provided elected officials information on how companies exporting impact the local economy by providing jobs and revenue

PROMOTION OF ALABMA WORLD -CLASS PRODUCTS AND SERVICE

- Published and distributed over 1,200 copies of the *Alabama International Resource Guide* a reference tool for companies and organizations interested in exporting.
- Distributed the *Alabama: Year In Trade* publication which provides a snapshot of Alabama's role in the international marketplace. This brochure was distributed to foreign consulates, trade commissioners and elected officials
- Continued enhancing the ADO international section website with current market reports, trade statistics and trade leads
- Leveraging University Support for Trade Promotion and Development
- Alabama State University and Auburn University were both awarded Department of Education Title VI-B
 grants. ADO International Trade Division supported the university programs designed to help professors internationalize their curricula and to help university students prepare to take the CGBP exam. In
 addition, numerous seminars on overseas markets and international trade topics were coordinated
 with these universities.
- In April 2009, two ASU students were the first and only students in Alabama to receive the "Certified Global Business Professional" (CGBP) designation. They became two of only 539 individuals worldwide to have been awarded the prestigious CGBP designation. The CGBP provides a benchmark for competency in global commerce by demonstrating an individual's knowledge of Global Business Management, Global Marketing, Supply Chain Management and Trade Finance. For candidates experienced in international trade, the certification confirms that knowledge. For candidates just beginning, it establishes a professional development goal to ensure a full understanding of the profession. For companies, it ensures that employees are able to practice global business at the professional level required in today's competitive environment.

A DETAILED LISTING OF EVENTS FOR 2009

Jan 27 NAFTA (North American Free Trade Agreement) Seminar Huntsville – 13 participants

This program was designed to help Alabama companies be in full compliance with all NAFTA regulations. It presented information on where to go and what to look for to be able to determine if products qualify for the benefits of NAFTA. In some cases goods have low or zero duty already and therefore no need to expose the company to potential NAFTA violations or to fill out a NAFTA certificate if goods do not quality. NAITA (North Alabama International Trade Association_ and Allocca Enterprise co-sponsored this program.

Feb 11 Entrepreneur's Forum: Exporting & Export Finance for Small Businesses Mobile – 45 participants

The U.S. Small Business Administration and the Mobile Chamber of Commerce presented a "Lunch and Learn" workshop on exporting and export financing for small businesses. A panel of experts from the Mobile Chamber, the U.S. Small Business Administration (SBA) and the U.S. Export-Import Bank (EXIM) discussed using available SBA and EXIM tools and products to help small businesses grow their export business. The Mobile Chamber and the US Small Business Administration cohosted this event.

Feb 17-18 International Traffic in Arms Regulations (ITAR) Overview Seminar Huntsville – 28 participants

Presented by the University of Alabama In Huntsville and NAITA, this course provided participants with knowledge of the ITAR and a company's responsibilities for ITAR-regulated exports. Non-compliance with these export regulations can cost time and money and may result in significant penalties including Customs detentions and seizures, fines and suspension from conducting international business, delays in shipping and loss of customers.

Feb 19 2009 NAITA Defense Trade Series: Australia Defense Industry Briefing Huntsville – 39 participants

The Alabama Development Office partnered with NAITA to present this detailed program on working with one of the closest allies of the United States. Speakers included Aurelio Azpiazu, Defense Industry Advisor, Australian Department of Defense, Embassy of Australia in Washington DC and his colleague Michael Garrety, Defense Material Attaché. Remarks covered the existing relationships between Australia and the U.S. They described the Australian budget process, their role in the Embassy and opportunities for two-way trade. One-on-one appointments for companies followed the program.

Feb 24 State of the Global Economy NAITA Annual Meeting

Huntsville - 75 participants

Dr. David E. Altig, Senior Vice President and Director of Research, Federal Reserve Bank of Atlanta, shared his views on the *State of the Global Economy*, including the positive impact that exports can have on the U.S. economy

Feb 27 Alabama World Trade Association (AWTA) Trade Breakfast and Update with Congressman Bobby Bright

Montgomery – 50 participants

The Alabama World Trade Association (AWTA) hosted a breakfast roundtable discussion with recently elected Bobby Bright. Topics focused on issues relating to trade

A global view of the past year

Mar 2 How to do Business in the Caribbean, an Exporting Seminar Mobile – 25 participants

The Caribbean is more than just a vacation destination, it is also a steadily growing market full of business opportunities for U.S. companies: The Caribbean Region is the 3rd largest market for U.S. exports in Latin America behind only Mexico and Brazil with \$18.5 billion in U.S. imports. The U.S. has a Free Trade Agreement with the Dominican Republic with more than 80% of manufactured goods entering duty free. Bob Jones, Senior Commercial Officer, Foreign Commercial Service in the Dominican Republic spoke on opportunities for Alabama companies in the Caribbean region.

Mar 6 Advantage Switzerland: A Strategic Base for International Companies Birmingham – 34 participants

Export Alabama Alliance members brought in Alabama companies to hear presentations on Switzerland's opportunities. His Excellency H.E. Urs Ziswiler, Ambassador of Switzerland to the United States spoke on why his country was more than just tennis and chocolate.

Mar 9 Foreign Policy & The State of Alabama Delegation of Department of State Huntsville and Montgomery – 8 participants

Export Alabama Alliance members met with delegation members from Andorra, Bulgaria, Czech Republic, Denmark, Slovak Republic, Italy, Lithuania and Turkey to brief them on the impact of US foreign policy on international trade in Alabama and how state agencies influence Alabama's foreign policy. The group was hosted by the International Services Council of Alabama.

Mar 10-13 ANTAD Expo

Guadalajara, Mexico

The Alabama Department of Agriculture co-led a delegation of Alabama companies which produced snack foods, condiments, pet foods, and prepared food products to the largest retail food show in Mexico.

Mar 12 Governors Trade Excellence Awards Ceremony & Luncheon

Montgomery – 8 recipients – 100+ attendees

Eight Alabama companies were recognized by Governor Riley for their excellence in exporting. The companies were honored at a luncheon hosted by the Export Alabama Alliance where keynote speaker Leslie Schweitzer, U.S. Chamber of Commerce, spoke on current issues facing American companies doing business in overseas markets. Recipients were: Atrion Medical Products, Inc. (Arab), Moreson Conferencing (Birmingham), Nidek Medical Products, Inc. (Birmingham), N-Tron, Corp. (Mobile), PlayCore (Ft. Payne), PPG Industries, Inc. (Huntsville), Rescue ONE Connector Boats (Huntsville), and



PPG representatives accept the Governor's Trade Excellence Award in 2009. PPG officials have participated in Alabama trade missions and are regular participants in Export Alabama's seminars and workshops.

The Mobile Area Chamber of Commerce (Mobile).

A global view of the past year

Mar 16-19 Alabama Business Forum

Leon, Mexico

The Alabama Department of Agriculture led a group of businesses to a match-making event targeted

towards environmental engineering, construction, assembly components, financial and legal services, and protein products. Former President Vicente Fox hosted this event.

Pictured on the right is Tony van Aken, Director of International Trade with the Mobile Area Chamber of Commerce and former President Vicente Fox during the Alabama mission to Mexico.

Mar 17-18 Automated Export Systems (AES) Seminar & AESPcLink Computer Workshop

Huntsville - 57 participants

It is imperative that a company understand the new requirements of the Foreign Trade Regulations (FTR) and how to avoid possible penalties and seizure of their commodities. The Census Bureau now requires mandatory filing of export information through the Automated Export System (AES) or through AES Direct for all shipments where a Shipper's Export Declaration was previously re-



quired. This two-day program sponsored by NAITA, the U.S. Commercial Service and the Export Alabama Alliance provided this valuable training on AES Compliance.

Mar 19 St. Clair County Seminar

Pell City - 28 participants

Export Alabama Alliance members participated in a local seminar targeting St. Clair County companies to provide information on resources available to them for doing business in the global economy. An international component was added to encourage them to look at the international market for new customers.

Export 101: How to Achieve Global Success Mar 25

Montgomery – 24 participants

The Montgomery Area Chamber of Commerce in partnership with the Alabama Development Office (ADO) and the US Department of Commerce conducted this one day seminar designed for new-toexport companies in the Montgomery area. The objective of this intensive hands-on program was to promote trade and benefits to small and medium sized companies.

NAITA Trade Education Tour Briefing for the Marshall County Manufacturers Association Mar 26 Arab - 26 participants

Members of the Export Alabama Alliance presented a program for the Marshall County Manufacturers Association on exporting procedures, resources and opportunities.

International Trade Compliance Strategies (ITC Export Controls & Compliance Seminar Mar 31-Apr 1 Huntsville - 30 participants

This is an interactive seminar that combines training on Exports and Customs Compliance with practical guidance and exchange on industry best practices in developing and maintaining successful trade compliance programs. The training focused on the US Government regulations associated with export and import controls.

A global view of the past year

April 1-3 Connecting the Gulf Coast Community to the Global Market Gulf Coast Trade Alliance 2009 World Trade Conference Lake Charles. Louisiana – 156 attendees

The three day regional annual conference focused on showcasing the numerous resources and entrepreneurial enterprises of the U.S. Gulf Coast States and their ability to compete globally. The conference brought in trade experts and business men & women to Southwest Louisiana from around the world to discuss Logistics, Transportation, Service Exports, GO ZONE Incentives, as well as provide advice from exporting specialists and tips on promoting products and services to global markets.

Apr 22-24 Wine and Gourmet Japan

Tokyo, Japan

The Alabama Department of Agriculture participated in this food products show to promote the state's wine, blueberry concentrates, food ingredients, gourmet foods, snack foods and wine products.

May 4 NAITA Defense Trade Briefing: Chile Aerospace & Defense Industry Briefing Huntsville – 17 participants

An interactive discussion for Alabama companies with Mitch Larsen, Commercial Counselor for the U.S. Commercial Service at the American Embassy in Santiago, Chile served to highlight the Chilean defense procurement environment and other business opportunities between the U.S. and Chile. NAITA, in conjunction with the US Commercial Service, Birmingham Export Assistance Center and the Export Alabama Alliance along with sponsorship by the Alabama International Trade Center were hosts.

May 9-11 Goodwill and Familiarization Visit to Thailand for Top Executives Bangkok, Thailand

Mobile Area Chamber of Commerce's Trade Director Tony van Aken and business executives participated in a one-week orientation to Thailand. While in Thailand they met with government and business leaders and attended THAIFEX – World of Food Asia.

May 14 NAITA World Trade Day Luncheon Huntsville – 207 participants

In celebration of World Trade Month, NAITA hosted a luncheon to promote the benefits of Alabama companies doing business in the international marketplace. The keynote ad-



Top executives participating in the Thailand orientation were chosen from around the U.S. Tony van Aken, Director of Intl Trade for the Mobile Area Chamber of Commerce was chosen to participate from Alabama.

dress was given by Major General (Ret.) Bruce K. Scott, President of ITT Defense International, and former Commanding General of U.S. Army Security Assistance Command (USASAC).

May 14 NAITA 2009 Defense Trade Series: Foreign Military Sales (FMS) Seminar: Getting Into the FMS Game Huntsville – 83 participants

This briefing highlighted the U.S. Army Aviation and Missile Command's (AMCOM) involvement in Security Assistance through Foreign Military Sales. The program for the business community described AMCOM's Security Assistance role through foreign military sales as it supports U.S. National Security and our allies.

A global view of the past year

May 19-20 Interested in Doing Business in Vietnam? We Can Help.

Mobile, Birmingham, Huntsville - 73 participants

Mr. Patrick Santillo, Regional Director-East Asia and Pacific of the U.S. Commercial Service traveled throughout the state providing a market overview of Vietnam and told participants valuable real time benefits of doing business in Asia and Vietnam. The Mobile Chamber in partnership with the Alabama Development Office is coordinating a trade mission for March 25 – April 3rd, 2010 which is open to all businesses in Alabama.

May 18-21 BIO International – Atlanta

This international event was attended by Alabama's leading biotech industry executives. The 2009 BIO International Convention delivered the partnering tools, licensing tips and other industry resources needed to meet current economic challenges and to strengthen Alabama's biotech business for the future.

Jun 2 Preparing for Export/Import Audits SeminarHuntsville – 12 Participants

This program was targeted towards companies which are not prepared for an import and export audit. The materials covered the roles and responsibilities that importer/exporter must be aware of in order to avoid fines, delays and possible loss of import/export privileges. NAITA and Allocca Enterprises presented this program.

Jun 15-21 Paris Air Show 2009 Le Bourget, France

There are over 300 aerospace companies in Alabama today. These companies do work in space and defense, aviation, and maintenance, refurbishment and overhaul (MRO). Export Alabama

Alliance worked to recruit small and medium-sized Alabama companies to participate in the Alabama Pavilion.

Jun 19-27 Alabama Trade Mission to Australia

Perth, Sydney & Mel

bourne - 18 participants
Governor Bob Riley led a delegation to Australia to promote the state as a center of excellence for industry, education and biotech. During 2007, Alabama exported over \$203.8 million of goods and services to Australia. Since the signing of the Free Trade Agreement in 2005, Alabama

age of 22%, making this the state's 11th - largest export market.

exports have increased 65%, more than the national aver-



Governor Riley, Consul General and Neal Wade, ADO, with Alabama trade delegates in Sydney, Australia, June 2009.

Jun 30 NAITA Briefing: Alabama Opportunities in Guanajuato, Mexico Huntsville – 30 Attendees

This event featured guest speakers from Mexico's State of Guanajuato who promoted business opportunities between North Alabama companies and their state.

A global view of the past year

Jun 30 Doing Business In Mexico Birmingham – 53 Attendees

The Alabama Development Office and the Brock School of Business, Samford University, teamed up with COFOCE, a governmental agency promoting Mexico, to present a program on doing business in Mexico. Highlighted was the state of Guanajuato, located in Central Mexico and a strategic spot for international trade and investment.

Going Global? Think Colombia Jul 8-9

Mobile, Birmingham, Huntsville – 71 Attendees

Walter Bastian, Deputy Assistant Secretary for the Western Hemisphere with the U.S. Department of Commerce, Washington DC brought his expertise to Alabama to provide market intelligence on entry or expansion in the Colombian market. This event presented information on the Governor's upcoming trade and business development mission to Colombia in November 2009.



Jul 15 Alabama Opportunities in the Caribbean

Montgomery - 50 participants

The U.S. Department of Commerce Birmingham Export Assistance Center partnered with Alabama State Univer-

bassy in Santo Domingo, was the guest speaker.

sity to provide companies with information on doing business with our Southern neighbors. Robert Jones, Regional Commercial Counselor for the Caribbean Region based at the US Em-

lombia during trade mission.

Export Alabama Members in Cali, Co-

Jul 25-28 SEUS Canada: Focus on Ocean Technology

St. Johns, NL

Alabama companies were invited to participate in the SEUS Canada Conference which focused on ocean technology, advanced technologies and energy. Match-making opportunities were made available to companies in the ocean technology sector.

Aug 18 Doing Business With Russia Forum Birmingham – 56 participants

The half day seminar hosted by the U.S. Export Assistance Center of Birmingham and the Russian American Chamber of Commerce provided an in-depth look into Russia as a lucrative export destination. Seminar topics covered visa regulations; business environment and U.S. trade policies.

Aug 25 Export Controls & Compliance Roundtable Discussion: ITAR Exemptions Huntsville – 35 participants

Businesses attending this workshop learned why State Department license exemptions exist, the range of purposes of license exemptions, and the limitations of license exemptions. The various issues related to determining license exemptions were also discussed. The event hosted by NAITA featured Laura Forte, Technology Control Officer for Westar Aerospace & Defense Group.

Aug 25 NAITA Member/Prospect Networking Mixer

Huntsville – 42 participants

NAITA continues to provide valuable networking events to its members. Export Alabama Alliance members also participated to meet and learn more about what Alabama companies are finding in the global marketplace.

A global view of the past year

Aug 31 Trade Luncheon with Congressman Parker Griffith

Huntsville - 60 participants

The Alabama World Trade Association in cooperation with NAITA sponsored a lunch with newly elected Parker Griffith. The event focused on a dialogue of trade related issues.

Sep 1 China intellectual Property Seminar

Huntsville – 24 participants

The law firm of Bradley Arant Boult Cummings LLP presented this insightful program on how to protect your intellectual property rights in China.

Oct 6

Resources for Going Global: A program of the Export Alabama Alliance and the NAITA Trade Education Tour Ft. Payne –

18 participants

Educating companies on what resources are at their fingertips is an important objective of the Export Alabama Alliance. The group travelled to DeKalb County Economic Development Authority and told participants what federal, state and local resources were available and how they could go global.



Export Alliance Members gather for a photo after the Ft. Payne export program hosted by Jimmy Durham and staff of the DeKalb County Economic Development Authority.

Oct 29 Export Controls & Compliance Roundtable Discussion: DDTC Registration & ITAR Agreements

Huntsville – 29 participants

Bob Davis and Josh Keeton with Excelerate, Inc. discussed the State Department's requirements that all manufacturers, exporters, and brokers of defense articles, defense services, or related technical data, as defined on the <u>United States Munitions List (Part 121 of the ITAR)</u> are required to register with DDTC. They detailed that registration is primarily a means to provide the U.S. Government with necessary information on who is involved in certain manufacturing and exporting activities. Registration does not confer any export rights or privileges, but is a precondition for the issuance of any license or other approval for export.

A global view of the past year

Nov 2-8 Governor Riley's Trade & Business Development Mission to Colombia Bogota, Cali, Santa Marta – 30 participants

Colombia continues to be a strong market for Alabama and with the pending U.S.-Colombia Trade Promotion Agreement it presents a tremendous opportunity for our exporters. Ten companies met one-on-one with potential partners. The highlight of the trip for all

delegates was a private meeting with His Excellency Alvaro Uribe, President of Colombia.

HE A. Uribe, President of Colombia and Jimmy Lyons, President of the Alabama State Port Authority talk after the meeting with the delegation. Mr. Lyons met with counterparts in Bogota to discuss shipping opportunities



Nov 3 Introduction to HTS/Schedule B Classification

Huntsville – 14 participants

Classification of a company's product is the hardest part of importing and exporting. This program helped companies begin to understand how to use the Harmonized Tariff System for imports and the Schedule B listing for exports.

Nov 16-20 Food & Hotel China

Shanghai

The Alabama Department of Agriculture co-led a trade mission to Shanghai, China to attend the Food & Hotel China trade show. Food companies who attended consisted of frozen products, fruits & vegetables, confectionery, beverages, meat products and canned goods.

Nov 20 NAITA Trade Education Tour in Morgan County

Decatur - 11 participants

Companies interested in international trade walked away from this program with a solid understanding of what resources are available at the state, regional, federal and local levels. The annual trade education tour continues to put a face on trade and help promote the benefits of exporting to the local economy.

Dec 1-3 Does Your Company Have an Indian Strategy? A series of workshops on India Huntsville, Birmingham, Mobile – 164 participants

Companies interested in this market attended these workshops to learn if they are ready for India. Dr. Abdul Shaikh, Senior International Economist, U.S. Department of Commerce, traveled throughout the state encouraging Alabama companies to explore the world's fastest growing free-market democracy for lucrative opportunities for all types of U.S. businesses. The briefings also promoted Governor Riley's trade mission to take place May 1-7, 2010.

Dec 2-6 IFE India Trade Show and Trade Mission

The Alabama Department of Agriculture co-led a trade mission to New Delhi and Mumbai, India where a trade show took place in New Delhi Dec 2-5, 2009. Manufacturers of snack foods, beverages, canned foods, condiments, specialty foods and wines traveled on this trade mission. A chef sampled Southern US foods at the IFE trade show and one on one meetings were held in Mumbai.

A global view of the past year

Dec 7 NAITA Export Controls & Compliance Roundtable Discussion: Export Management & Compliance Program (EMCP)

Huntsville – 38 participants

Companies participating in this workshop were provided with information on how to set up a system to capture analysis, decisions, accountability and implementing procedures as required by the Export Administration Regulations (EAR) and the International Arms Regulations (ITAR). The EMCP is an organized, integrated system that can be established to manage export-related decisions and transactions to ensure compliance with the EAR, ITAR, and their license conditions.

Dec 7 NAITA Holiday Party

Huntsville – 75 participants

The Export Alabama Alliance members and North Alabama companies, organizations and local leaders came together for a celebration of the year's end at this networking event.

"A new study showed Alabama's 626 worldwide American Companies generated 44 percent of the state's gross domestic product in 2007."

- Worldwide American companies in Alabama paid an average of \$47,057 per worker in 2007.
- Those companies paid \$1.7 billion in dividends to state residents in that year.
- Of the 298,200 employed by these companies, 97,400 worked in trade and transportation (281 companies), 104,000 in services (270 companies), 88,000 in manufacturing (245 companies) and 8,800 in other industries (51 companies).

Birmingham Business Journal August 27, 2009